



Kratos Defense & Security Solutions Awarded Contract From Naval Surface Warfare Center (NSWC) Crane to Support Expeditionary Warfare Systems Division Valued At Approximately \$49 Million

SAN DIEGO, May 20, 2008 (PrimeNewswire via COMTEX News Network) -- Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS), a leading national defense and security solutions provider, today announced the award of a contract from the Naval Surface Warfare Center (NSWC) Crane to support the Expeditionary Warfare Systems Division. Kratos was one of only two companies selected to compete for task orders under this cost-plus-fixed-fee, indefinite-delivery/indefinite-quantity (IDIQ) contract. The work will include engineering, logistics, research and development, and program support for a variety of customer programs and projects including air and missile defense systems, missile systems, command and control systems, and sensor systems. This contract will provide for support services to the Department of Defense; and the governments of Egypt, United Arab Emirates (UAE), and Turkey under the Foreign Military Sales (FMS) Program. This 5-year contract has a total estimated value of up to \$49.9 million over the period of performance.

"This is a very important and strategic customer whom we have been supporting for over six years," said Richard Selvaggio, Senior Vice President of Kratos' Madison Research Division in Huntsville, Alabama. "Kratos supports the NSWC Expeditionary Systems Engineering/Platform & Launch Systems Division with a range of mission-critical engineering and logistics support, and this win expands our core aviation and missile support activities across all DoD service branches as well as several foreign customers."

About Kratos Defense & Security Solutions

Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS) provides mission critical engineering, IT services, and warfighter solutions for the U.S. federal government and for state and local agencies. Principle services include C5ISR, weapon systems lifecycle support, military weapon range operations and technical services, network engineering services, advanced IT services, security and surveillance systems, and critical infrastructure design and integration. The Company is headquartered in San Diego, California, with resources located throughout the U.S. and at key strategic military locations. News and information are available at www.KratosDefense.com.

The Kratos Defense & Security Solutions, Inc. logo is available at <http://www.primenewswire.com/newsroom/prs/?pkgid=3519>

Notice Regarding Forward-Looking Statements

This news release contains certain forward-looking statements including, without limitation, expressed or implied statements concerning the Company's expectations regarding the amount of revenues the Company has estimated that it will receive under the NSWC Crane contract, including the duration of the contract, and these forward-looking statements involve risks and uncertainties. Such statements are only predictions, and the Company's actual results may differ materially. Factors that may cause the Company's results to differ include, but are not limited to: risks concerning the actual amount of engineering, logistics or other services that the Company will perform under the contract; risks concerning the duration of the contract; risks involving delays in or questions over payments to the Company; risks that changes or cutbacks in spending by the U.S. Department of Defense may occur, which could cause delays or cancellations of key government contracts; risks regarding failure to successfully consummate acquisitions or integrate acquired operations, which could reduce revenues and profit margins; risks associated with debt leverage, including the potential for the lender to declare an event of default based upon any of the events described in this release; and risks related to adverse regulatory action or litigation; risks associated with debt leverage. The Company undertakes no obligation to update any forward-looking statements. These and other risk factors are more fully discussed in the Company's Annual Report on Form 10-K for the period ended December 31, 2007, in the Company's quarterly report on Form 10-Q for the period ended March 31, 2008, and in other filings made with the Securities and Exchange Commission.

This news release was distributed by PrimeNewswire, www.primenewswire.com

SOURCE: Kratos Defense & Security Solutions, Inc.

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